

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF JONATHAN CREEK)	
WATER ASSOCIATION FOR A DEVIATION FROM)	
807 KAR 5:066, SECTION 16, REGARDING)	CASE NO. 92-282
TESTING OF LARGE METERS AND FREE WATER)	

O R D E R

Jonathan Creek Water Association, Inc. ("Jonathan Creek") has requested a deviation from Commission Regulation 807 KAR 5:066, Section 16(1), concerning the testing of large meters and that the Commission approve Jonathan Creek granting free water to five directors and three full time employees of Jonathan Creek.

By letter received by the Commission on September 2, 1992, Jonathan Creek withdrew its request for a deviation from Commission Regulation 807 KAR 5:066, Section 16(1). Jonathan Creek states that it has purchased the necessary large meters to comply with Commission regulations.

After reviewing the evidence of record and being sufficiently advised, the Commission finds that:

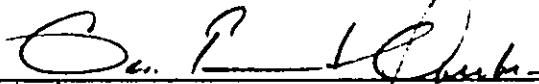
1. Employee concession service should not be allowed for non-profit corporations such as water associations. Such utilities have no shareholders to which the foregone revenues can be charged, which can only occur with investor-owned utilities.

2. Jonathan Creek's request for approval for its directors and employees to receive free water service should be denied.

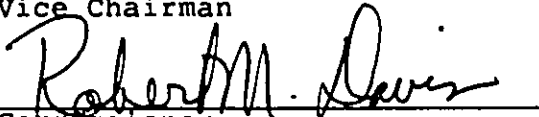
IT IS THEREFORE ORDERED that Jonathan Creek's request for approval to provide free water service to its directors and management be and it hereby is denied.

Done at Frankfort, Kentucky, this 22nd day of September, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director